



## **Department of Energy**

Office of Science  
Chicago Office  
9800 South Cass Avenue  
Argonne, Illinois 60439

### **Argonne National Laboratory**

#### **Executive Summary of**

#### **Solicitation No. DE-RP02-06CH11357**

---

April 19, 2006

TO: Prospective Offerors

SUBJECT: REQUEST FOR PROPOSAL (RFP) NO. DE-RP02-06CH11357 FOR THE  
SELECTION OF A MANAGEMENT AND OPERATING CONTRACTOR  
FOR THE ARGONNE NATIONAL LABORATORY (ANL)

This letter is a summary of the salient elements of the acquisition, but is not an integral part of the attached RFP. Should there be any conflict between this Executive Summary Letter and the RFP, the data and information in the RFP shall prevail.

The Department of Energy (DOE), Chicago Office is releasing the RFP for award of a contract for the management and operation of ANL. DOE is seeking proposals from qualified organizations interested in competing for this contract. Specific details of the contract performance requirements are described in the RFP. The RFP can be found on the Industry Interactive Procurement System (IIPS) at URL <http://e-center.doe.gov>. All questions regarding the RFP must be submitted through the "Submit Questions" feature on IIPS. The Government asks that this process be used rather than letters, e-mails, and/or telephone calls. Responses, if required, will also be posted on IIPS. It is requested that all questions on the RFP be submitted by May 19, 2006.

ANL is a DOE Office of Science multi-disciplinary research laboratory located on 1500 acres approximately 25 miles southwest of Chicago. ANL conducts key elements of DOE's missions in science, energy, national security, and the environment. In support of these missions, ANL: (i) performs leading multi-disciplinary research in basic energy sciences, nuclear energy science and technology, nanotechnology, high energy physics, computational science, nuclear physics, chemistry, materials science, environmental science, biology, energy efficiency and renewable energy, fossil energy, electric transmission and distribution, and work for the National Nuclear Security



Printed on Recycled Paper

Administration in a manner that ensures employee and public safety, and protection of the environment; (ii) develops and operates unique national experimental facilities that are available to qualified investigators; (iii) educates and trains future generations of scientists and engineers to promote national science and education goals; and (iv) transfers knowledge and technological innovations and fosters productive relationships between ANL research programs, universities, and industry to promote national economic competitiveness. ANL is a leading national science and technology research center which operates the following major Laboratory and national user facilities: Advanced Photon Source, Intense Pulsed Neutron Source, Argonne Tandem Linac Accelerator System, Center for Nano-scale Materials, Electron Microscopy Center, Atmospheric Radiation Measurement, and the Transportation Technology Research and Development Center. Based on the President's budget, anticipated funding for FY 2007 for ANL, from all sources, is approximately \$508,000,000.

In order to further the Government's policy of maximizing electronic commerce and making the acquisition process optimally cost effective, electronic media will be the primary method of communication from the Government regarding this solicitation. The solicitation, solicitation amendments, responses to questions, and other official communications from the Government will be posted on IIPS. An information library regarding the solicitation is located at URL <http://rfpanl.sc.doe.gov>. Offerors are responsible for checking IIPS and the information library website frequently for information, notices, and updates regarding this solicitation.

The objective of the solicitation is to select the Contractor most capable of managing and operating the ANL programs and facilities. A Source Evaluation Board (SEB) has been established to develop the RFP and to evaluate proposals submitted in response to the RFP. The SEB will conduct its activities in accordance with DOE's regulations and policies. Proposals will be evaluated in accordance with the specific methodology and evaluation criteria set forth in Part IV, Section M of the RFP.

#### **Significant items of interest concerning this solicitation**

Offerors are encouraged to pay particular attention to the following aspects of the RFP:

**Contract Type.** DOE will award a single, cost-plus performance-fee management and operating contract to the responsible Offeror whose proposal represents the best value to the Government. The Government intends to evaluate proposals and award a contract without discussions with Offerors (except clarifications as described in FAR 15.306(a)). Therefore, the Offeror's initial proposal should contain the Offeror's best terms from a technical and cost or price standpoint. The Government reserves the right to conduct discussions if the Contracting Officer later determines them to be necessary (Refer to Section L, Provision L.15).

**Award Term Incentive.** The base term of the contract is five years. The proposed contract contains a non-monetary performance incentive which will allow the selected offeror to earn up to an additional fifteen years of contract term for exemplary performance. (Refer to Section F, Clause F.2).

**Separate Corporate Entity** The work performed under this Contract must be conducted by a separate corporate entity from its parent organization(s). The separate corporate entity must be set up solely to perform this Contract and shall be totally responsible for all Contract activities. In addition, the parent organization(s) or all member organizations shall guarantee the Contractor's performance by signing the Performance Guarantee(s) incorporated in the contract. (Refer to Section H., Clause H.21 and Section J, Attachment J.12).

**Fee(s), Home Office Expenses, and Corporate Oversight Expenses.** DOE anticipates awarding performance fee under this contract. The total available fee pool for this contract for the five-year contract term shall not exceed \$26.5 Million. Offerors must propose a maximum performance fee for each fiscal year set forth in Section B, Clause B.3(b) which does not exceed the maximum annual performance fee of \$5.3 Million. See Section L., Provision L.9(c). Home office and corporate oversight expenses may be allowable pursuant to DOE policy but these items will only be addressed post-award. No fee is payable for the contractor's performance of any Transition Activities. (Refer to Section B, Provision B.3(a), Section H, Clause 33, and Section L, Provision L.9).

**Performance Evaluation and Measurement Plan.** The Appendix B set forth in Section J as Attachment J.2 contains the Performance Goals, Objectives, Measures and Targets which will be used to evaluate the Selected Contractor's performance for FY07.

**Employee Retention, Compensation and Benefits.** Subject to appropriation of the requisite funding, the selected Offeror will be required to offer employment to all incumbent employees who are in good standing and have Regular Appointments, with the exception of these "Regular" employees permanently assigned to the positions reflected in Section L, Appendix 7, List A. The Contractor may offer employment to said employees, in either their current positions or other positions, at the Contractor's sole discretion. For those positions listed under Section L, Appendix 7, Lists A and B, any changes in job positions or classifications shall be accompanied by a commensurate alteration in compensation. (Refer to Section H, Clause H.22 and Section L, Provision L.38).

The selected Offeror shall provide equivalent pay and comparable benefits to incumbent employees for at least the first year of the contract. Thereafter, benefits shall be altered, as necessary, to achieve conformance with DOE policy. All non-incumbent employees shall receive an overall benefit package that provides for market-

based retirement and medical benefit plans that are competitive with the industry from which the selected Offeror recruits its employees. (Refer to Section H, Clause H.22 and Section L, Provision L.38).

The selected Offeror shall establish a separate pension plan, distinct from a corporate pension plan, meeting the requirements of the Internal Revenue Code and the Employee Retirement Income Security Act of 1974, and that recognizes service credit earned at ANL. (Refer to Section H, Clause H.22 and Section L, Provision L.38). Definitions of "regular appointments," "incumbent employees", and "non-incumbent employees" are contained in Section H, Clause H.22 (a) and (b). The selected Offeror will become the plan sponsor of pension and other post-retirement benefit plans, as applicable, for individuals who have retired from ANL.

**Bargaining Agreements.** The selected Offeror will be expected to provide employment terms and conditions consistent with those provided under the current agreements until bargaining unit employees electing to organize have transitioned to new collective bargaining agreements. (Refer to Section H, Clause H.22, Section L, Provision L.38 and Section L, Appendix 5).

**Small Business Plan.** Offerors are required to submit an acceptable Small Business Subcontracting Plan with their offer. For purposes of Offerors' development of the Small Business Subcontracting Plan, the information library includes a copy of the current contractor's Small Business Subcontracting Plan and small business accomplishments. The Small Business Subcontracting Plan shall be submitted as part of Volume I. Also, Offerors are advised that DOE has identified Physical Site Security work for either a direct federal contract with small business or assignment of the follow-on subcontract to DOE. (Refer to Section H, Clause H.7, Section L, Provisions L.1(c) and L.12, and Section J, Attachment J.8).

**Transition Plan.** Offerors are required to provide a transition plan covering a phase-in period of a maximum of two months prior to assuming responsibility for the management and operations of ANL. This plan should address specific steps necessary to assume full responsibility for management and operation of ANL as of 12:01 A.M., October 1, 2006. (Refer to Section H, Clause H.33 and Section L, Provision L.6).

**Transition Cost.** Offerors are required to submit a cost estimate for all transition activities in the format described in Section L, Appendix 3. The transition period will be on a cost-reimbursement (**no fee**) basis, subject to the cost principles of FAR 31 and DEAR Part 931, and limited to the amount specified in the Offeror's transition cost proposal. (Refer to Section B, Clause B.3; Section H, Clause H.33; and Section L, Provision L.9).

**Pre-proposal Conference.** A pre-proposal conference is scheduled for 9:00 a.m., May 10, 2006, at Wilson Hall, Ramsey Auditorium, Fermi National Accelerator Laboratory, Batavia, Illinois. Offerors are encouraged to attend. (Refer to Section L, Provision L.41).

**Site Tours.** Prospective offerors interested in attending a site tour must register with the SEB's Executive Secretary, Jodi VonRox at [jodi.vonrox@ch.doe.gov](mailto:jodi.vonrox@ch.doe.gov) by May 2, 2006. Based on the volume of requests received, the SEB will determine whether or not to hold a site tour. If held, the site tour of ANL is anticipated to be scheduled in conjunction with the pre-proposal conference. Additional information will be posted on the information library website and IIPS at a later date. (Refer to Section L, Provision L.42).

**Proposal Due Date.** Proposals, and any modifications or revisions, are due on June 2, 2006, by 4:30 p.m., Central Standard Time. Proposals may be submitted in writing or electronically through IIPS. Instructions for submission of proposals are located in Section L. Late proposals, modifications, and withdrawals will be treated in accordance with Provision L.15 - FAR 52.215-1 – Instructions to Offerors – Competitive Acquisition (JAN 2004). (Refer to Section L, Provision L.14).

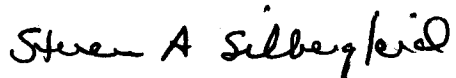
**Oral Presentations.** All Offerors are required to make oral presentations to the SEB, tentatively scheduled for the week of June 19, 2006. The SEB will schedule the oral presentations via lottery and will notify each Offeror, within five working days after the date for receipt of proposals, of the date and time of its oral presentation. The oral presentation will be held at a location in the vicinity of the ANL site. The Government reserves the right to reschedule the oral presentation at its discretion, and the Government shall not consider requests to reschedule the oral presentation except in extenuating circumstances. Evaluation of proposals will be based on both the written information and the oral presentation (Refer to Section L, Provision L.10).

**Evaluation Criteria.** The RFP describes the criteria DOE intends to use in selecting a successful future contractor. The Capabilities and Approach Proposal will be point scored based on both the written material provided by the Offeror and the Offeror's oral presentation. Key criteria which will be point scored include the potential contractor's management strategy and approach to achieving excellence in both world-class scientific research and development, as well as in operations and business management; key personnel, including the proposed laboratory director; experience and past performance in both science and business management; the Offeror's strategy for fulfilling DOE's mission for the laboratory; the Offeror's involvement/resources, including the value added by the corporate parents; and the Offeror's proposed transition plan. (Refer to Section M and Section L, Provisions L.2-L.8).

The Government will evaluate cost proposals for reasonableness and realism and will consider transition period costs and the Key Personnel's annual compensation costs for the first year. A contract will be awarded to the responsible Offeror whose proposal represents the best value to the Government. (Refer to Sections M.9 and M.10).

Offerors intending to submit an offer in response to this RFP should send an e-mail to the SEB's Executive Secretary, Jodi VonRox at [jodi.vonrox@ch.doe.gov](mailto:jodi.vonrox@ch.doe.gov) no later than May 5, 2006. (Refer to Section L.48)

Sincerely,

  
Steven A. Silbergeld, Chairman  
Source Evaluation Board

Enclosure:  
RFP DE-AC02-06CH11357